

# MASTER PAYROLL ADMINISTRATION SERVICES AGREEMENT

This Master Payroll Administration Services Agreement (the "Agreement") is entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ (the "Effective Date"), by and between:

**Provider:** \_\_\_\_\_, with a principal place of business at \_\_\_\_\_ ("Provider"), and

**Client:** \_\_\_\_\_, with a principal place of business at \_\_\_\_\_ ("Client").

Provider and Client may collectively be referred to as the "Parties" or individually as a "Party."

## Recitals

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WHEREAS, Provider provides professional payroll processing, administration, and related tax compliance services; and

WHEREAS, Client desires to retain Provider to perform payroll administration and processing services for Client's workforce, and Provider agrees to perform such services under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants, promises, and conditions set forth herein, the Parties agree as follows:

## 1. Scope of Services

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Provider shall perform the payroll administration services detailed below and in any applicable Schedules or Addenda attached hereto (the "Services"):

- Payroll Processing:** Calculation of gross-to-net wages, withholdings, deductions, and contributions based on payroll data submitted by Client.
- Direct Deposit & Payment:** Execution of direct deposits and generation of physical checks or pay statements for Client's employees and independent contractors.
- Tax Filing and Reporting:** Preparation, filing, and remittance of local, state, and federal payroll taxes, including forms 940, 941, W-2, 1099, and related state-level filings, subject to Client timely providing necessary funds and accurate data.
- Standard Reporting:** Provision of standard payroll registers, deduction reports, and tax summary reports following each completed payroll cycle.

## 2. Client Responsibilities

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- Data Accuracy:** Client is solely responsible for the accuracy, completeness, and timely submission of all payroll data, employee hours, rate changes, bank account details, and tax withholding information. Provider shall have no liability for errors resulting from inaccurate or late data submission by Client.
- Funding:** Client must ensure that sufficient funds are cleared and available in Client's designated bank account no later than \_\_\_\_\_ hours/days prior to the scheduled payroll payment date to cover all wages, taxes, and Provider fees.
- Authorizations:** Client shall execute any necessary bank authorization forms, tax power of attorney forms, or other governmental authorizations required to allow Provider to file taxes and execute payroll on Client's behalf.

## 3. Fees, Invoicing, and Payment

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1. **Fees:** Client agrees to pay Provider for the Services in accordance with the fee schedule set forth in Exhibit \_\_\_\_\_, which is attached hereto and incorporated by reference.
2. **Payment Terms:** All fees, taxes, and funding requirements will be debited directly from Client's designated bank account via Automated Clearing House (ACH) transfer, unless otherwise specified in writing.
3. **Late Payments:** Any unpaid fees shall accrue interest at a rate of \_\_\_\_\_ % per month, or the maximum rate permitted by law, whichever is lower, from the date due until paid in full.

#### 4. Term and Termination

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1. **Term:** This Agreement shall commence on the Effective Date and shall continue for an initial term of \_\_\_\_\_ (the "Initial Term"). Thereafter, this Agreement shall automatically renew for successive terms of \_\_\_\_\_ unless either Party provides written notice of non-renewal at least \_\_\_\_\_ days prior to the expiration of the current term.
2. **Termination for Convenience:** Either Party may terminate this Agreement at any time, with or without cause, by providing \_\_\_\_\_ days prior written notice to the other Party.
3. **Termination for Cause:** Either Party may terminate this Agreement immediately upon written notice if the other Party commits a material breach of this Agreement and fails to cure such breach within \_\_\_\_\_ days of receiving written notice thereof.

#### 5. Confidentiality and Data Security

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1. **Confidential Information:** Each Party agrees to maintain the strict confidentiality of all proprietary or confidential information disclosed by the other Party, including but not limited to employee Personal Identifiable Information (PII), bank details, corporate financial data, and business operations.
2. **Security:** Provider shall implement and maintain appropriate administrative, physical, and technical safeguards designed to protect Client data from unauthorized access, loss, or alteration.

#### 6. Limitation of Liability and Indemnification

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1. **Limitation of Liability:** In no event shall Provider be liable to Client for any indirect, special, incidental, consequential, or punitive damages. Provider's total aggregate liability arising under or related to this Agreement shall be limited to the total fees paid by Client to Provider during the \_\_\_\_\_-month period immediately preceding the event giving rise to liability.
2. **Client Indemnification:** Client shall defend, indemnify, and hold harmless Provider from and against any claims, losses, liabilities, penalties, interest, and legal fees resulting from Client's failure to provide timely and accurate payroll data or to maintain sufficient funds in its accounts.

#### 7. Miscellaneous Provisions

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1. **Governing Law:** This Agreement shall be governed by, and construed in accordance with, the laws of the State of \_\_\_\_\_, without regard to its conflict of law principles.
2. **Entire Agreement:** This Agreement, including any Exhibits and Schedules, constitutes the entire agreement between the Parties regarding the subject matter hereof and supersedes all prior or contemporaneous discussions, agreements, or representations.
3. **Amendments:** This Agreement may only be amended or modified by a written agreement signed by authorized representatives of both Parties.

IN WITNESS WHEREOF, the Parties hereto have executed this Master Payroll Administration Services Agreement as of the Effective Date.

**PROVIDER:**

**CLIENT:**

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_

\_\_\_\_\_  
By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_  
Date: \_\_\_\_\_